



Ministry of Housing,  
Communities &  
Local Government

**Ministry of Housing, Communities & Local  
Government**

Leasehold, Commonhold and Rentcharges  
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[www.gov.uk/mhclg](http://www.gov.uk/mhclg)

Our Ref:3980455  
Your Ref:

Date:**19 December 2018**

Dear Jonathan Poulter,

Thank you for your email dated 28 November 2018 regarding the purchase of your leasehold house. I have been asked to respond and as such am treating this as official correspondence rather than an FOI request. I am unable to intervene or comment on individual cases, however, I hope you find the following information helpful.

The Government is committed to promoting fairness and transparency for leaseholders and freeholders and ensuring that consumers are protected from abuse and poor service.

Last year the Government set out a package of measures to tackle abuses and unfair practices in the leasehold market. This includes introducing legislation to prohibit the development of new build leasehold houses, other than in exceptional circumstances; and restricting ground rents in newly established leases of houses and flats to a peppercorn.

The Government is also looking to standardise the enfranchisement process and has asked the Law Commission to review current arrangements. This is to support existing leaseholders and includes making buying a freehold or extending a lease easier, faster, fairer and cheaper.

On 20 September 2018, the Law Commission published its Consultation Paper on leasehold enfranchisement reform: Leasehold home ownership: buying your freehold or extending your lease. The provisional proposals would:

- provide a better deal for leaseholders by making enfranchisement easier, quicker and more cost effective;
- reform the existing rights of leaseholders, including removing the separate rules for houses and for flats; and
- simplify, and reduce the legal and other costs of, the procedure for acquiring a freehold or an extended lease.

Details can be found at: <https://www.lawcom.gov.uk/project/leasehold-enfranchisement/> The consultation closes on 7 January 2019, and I would urge you to respond.

In response to your concerns, the Secretary of State held an industry roundtable on 8 of November (at which Barratts was present) to urge attendees to take further action to support existing leaseholders with onerous leases. He reiterated his view that unfair leasehold practices have no place in a modern housing market, and pressed attendees to go further and faster in identifying and making proactive variations to onerous leases in the consumer's favour. He was clear that ground rents which doubled every ten or fifteen years should be a thing of the past and expected information in leases to be clear and transparent to consumers. No formal minutes were distributed to attendees.

I hope that you find this information useful and thank you for raising this important matter.

Kind regards,

Cynthia Brathwaite